

# **READ THIS MESSAGE IF YOU HAVE A HORIZONS AND/OR SAVINGS PLAN LOAN**

## **Watch your mail for an important letter regarding changes to your Horizons and/or Savings Plan loan payment**

### **UPCOMING CHANGES WILL AFFECT YOUR TAKE HOME PAY! IMPORTANT ACTION REQUIRED**

#### **WHAT'S HAPPENING?**

As a result of the County's new payroll system coming in April 2010, you need to decide whether you want the payroll deduction for your loan to be semi-monthly or monthly. The decision you make will affect your take home pay.

#### **WHAT DO I NEED TO KNOW AND WHAT ARE MY CHOICES?**

Before mid-March, you will receive an important letter and election form with further details and instructions. You must complete the election form indicating one of the deduction choices summarized below and return it to Great-West within five days of receipt.

##### **1. SEMI-MONTHLY PAYROLL DEDUCTION**

If you elect a semi-monthly payroll deduction your loan will be re-amortized (recalculated). Each of your semi-monthly deductions will be roughly half of your monthly payment. In fact, for many people the total monthly amount will be slightly less. This alternative provides a more even distribution of your net pay.

##### **2. MONTHLY PAYROLL DEDUCTION**

If you elect a monthly payroll deduction your loan will not be re-amortized (recalculated) and 100% of your monthly payment amount will be deducted once each month on the 15<sup>th</sup> payday. This alternative provides an *uneven* distribution of your net pay because your pay on the 15<sup>th</sup> will be reduced by the entire amount of your monthly loan deduction.

#### **WHAT DO I NEED TO DO?**

- A. Watch for your letter, make your election and return the form to Great-West within five (5) days of receiving the letter.**
- B. If you choose monthly deductions, plan your budget accordingly to account for a smaller paycheck on the 15<sup>th</sup> of each month.**